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COMPANY CONFORMED NAME: CENTRAL INDEX KEY: UNION PACIFIC RAILROAD

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STANDARD INDUSTRIAL CLASSIFICATION: IRS NUMBER: RAILROADS, LINE-HAUL

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PLZ RM 505 CITY: SAN FRANCISCO STATE: CA ZIP: 94105

FORMER COMPANY: FORMER CONFORMED NAME: SOUTHERN PACIFIC TRANSPORTATION
CO DATE OF NAME CHANGE: 19920703

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SECURITIES AND EXCHANGE

COMMISSION WASHINGTON,
DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT
OF 1934

Date of Report (Date of earliest event reported): February 1, 1998

Union Pacific Railroad Company
(Exact Name of Registrant as Specified in its Charter)

Delaware [1-6146] 94-6001323 (State
or Other Jurisdiction (Commission (IRS Employer of
Incorporation) File Number) Identification No.)

1416 Dodge Street, Omaha, Nebraska 68179 (Address of Principal
Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (402) 271-5000

N/A

Former Name or Former Address, if Changed Since Last Report

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Item 2. Acquisition or Disposition of Assets.

Pursuant to an Agreement and Plan of Merger, dated as of January 29, 1998, Union Pacific Railroad Company, a Utah corporation ("UPRR-Utah"), was merged (the "Merger") with and into Southern Pacific Transportation Company, a Delaware corporation ("SPT"), with SPT continuing as the surviving corporation and changing its name to "Union Pacific Railroad Company" ("UPRR-Delaware"). Immediately prior to the Merger, SPT was an indirect, wholly owned subsidiary of Union Pacific Corporation ("UPC"), and UPRR-Utah was a subsidiary of UPC, with all of the issued and outstanding shares of voting stock of UPRR-Utah being owned, directly or indirectly, by UPC. UPRR-Delaware currently is a subsidiary of UPC, with all of the issued and outstanding shares of voting stock of UPRR-Delaware being owned, directly or indirectly, by UPC.

As a result of the Merger, all of the outstanding capital shares of UPRR-Utah, which consisted of 62,220,244 shares of UPRR-Utah Common Stock, par value \$10.00 per share, 5,410,456 shares of UPRR-Utah Class A Stock, par value \$10.00 per share, 4,829 UPRR-Utah Redeemable Preference Shares (Series A), initial par value \$10,000 per share, and 436 shares of UPRR-Utah Redeemable Preference Shares (Series B), initial par value \$10,000 per share, were converted into 5,888 shares of Common Stock, \$10.00 par value per share, of UPRR-Delaware (the "UPRR-Delaware Common Stock"), 512 shares of Class A Stock, \$10.00 par value per share, of UPRR-Delaware (the "UPRR-Delaware Class A Stock"), 4,829 Redeemable Preference Shares (Series A), initial par value \$10,000 per share, of UPRR-Delaware (the "UPRR-Delaware Series A Preference Shares"), and 436 Redeemable Preference Shares (Series B), initial par value \$10,000 per share, of UPRR-Delaware (the "UPRR-Delaware Series B Preference Shares"), respectively. In addition, in

connection with the Merger the 1,350 shares of SPT Common Stock owned by Southern Pacific Rail Corporation ("SPRC") immediately prior to the Merger were converted into 1,242 shares of UPRR-Delaware Common Stock and 108 shares of UPRR-Delaware Class A Stock. SPRC is a direct, wholly owned subsidiary of UPC.

The foregoing shares of UPRR-Delaware Common Stock and UPRR-Delaware Class A Stock were issued upon conversion or exchange in connection with the Merger so that the number of outstanding shares of UPRR-Delaware Class A Stock following the Merger would equal 8% of the aggregate number of outstanding shares of both UPRR-Delaware Common Stock and UPRR-Delaware Class A Stock. The foregoing UPRR-Delaware Series A Preference Shares and UPRR-Delaware Series B Preference Shares were issued upon conversion or exchange in connection with the Merger so that the number of outstanding UPRR-Delaware Series A Preference Shares and UPRR-Delaware Series B Preference Shares following the Merger would equal the number of outstanding UPRR-Utah Redeemable Preference Shares (Series A) and UPRR-Utah Redeemable Preference Shares (Series B), respectively, immediately prior to the Merger.

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As a result of the Merger, (i) all of the issued and outstanding shares of UPRR-Delaware Common Stock and UPRR-Delaware Class A Stock, which constitute all of the shares of voting capital stock of UPRR-Delaware, are now owned 62.6% by UPC and 37.4% by SPRC, and (ii) all of the issued and outstanding UPRR-Delaware Series A Preference Shares and UPRR-Delaware Series B Preference Shares are now owned 100% by the United States Federal Railroad Administration.

As a result of the Merger, UPRR-Delaware assumed all of the indebtedness and other obligations of UPRR-Utah including, without limitation, the indebtedness and obligations under each class of securities of UPRR-Utah registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 (the "Exchange Act"). In addition, in accordance with the provisions of Rule 12g-3 promulgated under the Exchange Act, UPRR-Utah will cease filing reports under the Exchange Act following the Merger, UPRR-Delaware will become the successor reporting issuer, and each class of securities of UPRR-Utah registered pursuant to Section 12(b) of the Exchange Act and assumed by UPRR-Delaware will be deemed a class of securities of UPRR-Delaware registered pursuant to Section 12(b) of the Exchange Act. To the extent interest or sinking fund payments for these or any other securities of UPRR-Utah assumed by UPRR-Delaware are contingent on the amount of available income, there will be no change in the formula for calculating such available income under the applicable indenture or mortgage, except that the entire income of UPRR-Delaware for 1998 and thereafter will be subject to such calculation.

Prior to the Merger, UPRR-Utah was a Class I Railroad which operated as a unified system with the railroad operations of SPT. UPRR-Delaware intends to continue such operations following the Merger.

Item 7. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired. The financial statements required to be reported in this Current Report on Form 8-K will be filed by UPRR-Delaware by an amendment to this Report not later than April 17, 1998.

(b) Pro Forma Financial Information. The pro forma financial information required to be reported in this Current Report on Form 8-K will be filed by UPRR-Delaware by an amendment to this Report no later than April 17, 1998.

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(c) Exhibits.

Agreement and Plan of Merger, dated as of January 29, 1998, between Union Pacific Railroad Company and Southern Pacific Transportation Company.

3.1 Amended Certificate of Incorporation of Union Pacific Railroad Company, effective as of February 1, 1998.

3.2 By-Laws of Union Pacific Railroad Company, as amended effective as of February 1, 1998.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, UPRR-Delaware has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 13, 1998

UNION PACIFIC RAILROAD COMPANY

By: /s/ Joseph E. O'Connor, Jr.

Joseph E.
O'Connor, Jr.
Chief Accounting Officer

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Exhibit	EXHIBIT INDEX Description
	Agreement and Plan of Merger, dated as of January 29, 1998, between Union Pacific Railroad Company and Southern Pacific Transportation Company.
3.1	Amended Certificate of Incorporation of Union Pacific Railroad Company, effective as of February 1, 1998.
3.2	By-Laws of Union Pacific Railroad Company, as amended effective as of February 1, 1998.

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Exhibit 2

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, dated as of this 29th day of January, 1998, pursuant to Section 252 of the Delaware General Corporation Law and Section 16-10a-1107 of the Utah Revised Business Corporation Act, between Union Pacific Railroad Company, a Utah corporation ("UPRR"), and Southern Pacific Transportation Company, a Delaware corporation ("SPT").

WITNESSETH that:

WHEREAS, each of the constituent corporations deems it advisable and in its best interest to merge into a single corporation (the "Merger"); and

WHEREAS, each of the constituent corporations desires to adopt this Agreement and Plan of Merger and to consummate the Merger in accordance with the terms hereof;

NOW, THEREFORE, the corporations, parties to this Agreement and Plan of Merger, in consideration of the mutual covenants, agreements and provisions hereinafter contained, do hereby prescribe the terms and conditions of the Merger and the mode of carrying the same into effect as follows:

FIRST: Upon the terms hereof and pursuant to the Delaware General Corporation Law ("DGCL"), at the Effective Time (as defined below), SPT and UPRR shall consummate the Merger pursuant to which (i) UPRR shall be merged with and into SPT, (ii) the separate corporate existence of UPRR shall thereupon cease, (iii) SPT shall be the surviving corporation in the Merger (the "Surviving Corporation") and shall continue to be governed by the laws of the

State of Delaware, and (iv) the corporate existence of SPT with its properties, rights, privileges, powers and franchises shall continue unaffected by the Merger.

SECOND: Upon the Effective Time, the Certificate of Incorporation of SPT in effect immediately prior to the Effective Time shall be amended in its entirety as set forth in Exhibit A hereto (the "Amended Certificate of Incorporation"), and the Amended Certificate of Incorporation shall be the certificate of incorporation for the Surviving Corporation. Pursuant to the Amended Certificate of Incorporation, the Surviving Corporation shall, among other things, (a) change its corporate name from "Southern

Pacific Transportation Company" to "Union Pacific Railroad Company", (b) be authorized to issue 9,200 shares of Common Stock, par value \$10.00 per share ("New Common Stock"), (c) be authorized to issue 800 shares of Class A Stock, par value \$10.00 per share ("New Class A Stock"), and (d) be authorized to issue 5,500 shares of Redeemable Preference Shares (Series A and B), with an initial par value of \$10,000 per share (collectively, "New Preference Shares").

THIRD: The manner of converting the outstanding shares of the capital stock of the constituent corporations shall be as follows:

(a) All of the shares of Common Stock, \$10.00 par value per share, of UPRR ("UPRR Common Stock"), which shall be outstanding immediately prior to the Effective Time, and all rights in respect thereof, shall forthwith be changed and converted into 5,888 shares of New Common Stock. No other cash, shares, securities or obligations will be distributed or issued upon the conversion of the shares of UPRR Common Stock.

(b) All of the shares of Class A Stock, \$10.00 par value per share, of UPRR ("UPRR Class A Stock"), which shall be outstanding immediately prior to the Effective Time, and all rights in respect thereof, shall forthwith be changed and converted into 512 shares of New Class A Stock. No other cash, shares, securities or obligations will be distributed or issued upon the conversion of the shares of UPRR Class A Stock.

(c) Each share of Redeemable Preference Shares (Series A and Series B), with an initial par value of \$10,000 per share, of UPRR ("UPRR Preference Shares"), which shall be outstanding immediately prior to the Effective Time, and all rights in respect thereof, shall forthwith be changed and converted into one share of New Preference Shares (Series A or Series B, as applicable). No other cash, shares, securities or obligations will be distributed or issued upon the conversion of the UPRR Preference Shares.

(d) All of the shares of Common Stock, no par value per share, of SPT ("SPT No-Par Common Stock"), which shall be outstanding immediately prior to the Effective Time, and all rights in respect thereof, shall forthwith be changed and converted into 1,242 shares of New Common Stock and 108 shares of New Class A Stock. No other cash, shares, securities or obligations will be distributed or issued upon the conversion of the shares of SPT No-Par Common Stock.

(e) After the Effective Time, the shareholders of UPRR and the stockholders of SPT shall surrender all outstanding certificates representing shares of UPRR Common Stock, UPRR Class A Stock, UPRR

Preference Shares and SPT No-Par Common Stock, and shall be entitled upon such surrender to receive

the number of shares of New Common Stock, New Class A Stock and New Preference Shares on the basis provided herein. Until so surrendered, the outstanding certificates representing shares of UPRR Common Stock, UPRR Class A Stock, UPRR Preference Shares and SPT No-Par Common Stock, to be converted into New Common Stock, New Class A Stock or New Preference Shares as provided herein, may be treated by such holder and the Surviving Corporation for all corporate purposes as evidencing the ownership of shares of the Surviving Corporation as though said surrender and exchange had taken place.

FOURTH: The terms and conditions of the Merger are as follows:

(a) The By-Laws of SPT as they shall exist immediately prior to the Effective Time shall, upon the Effective Time, be amended and restated in their entirety (the "Amended and Restated By-Laws"), and the Amended and Restated By-Laws shall be the by-laws of the Surviving Corporation until the same shall be altered, amended or repealed as therein provided.

(b) Subject to the prior written consent of the sole stockholder and directors of SPT (as applicable), the directors and officers of SPT immediately prior to the Effective Time shall, upon the Effective Time, be removed from their respective offices, and the individuals currently serving as directors and/or officers of UPRR (as applicable) shall be elected to the same offices with SPT, such individuals to serve until their successors shall have been duly elected or appointed or qualified or until their earlier death, resignation or removal in accordance with the Amended Certificate of Incorporation and the Amended and Restated By-Laws.

(c) The Merger shall become effective at 12:01 a.m. Eastern Standard Time on February 1, 1998 (the "Effective Time").

(d) Upon the Merger becoming effective, all the property, rights, privileges, franchises, patents, trademarks, licenses, registrations, and other assets of every kind and description of UPRR shall be transferred to and vested in and shall devolve upon SPT without further act or deed, and all property, rights, and every other interest of SPT and UPRR shall be as effectively the property of SPT as they were of SPT and UPRR, respectively. UPRR hereby agrees from time to time, as and when requested by SPT or by its successors or assigns, to execute and deliver or cause to be executed and delivered all such deeds and instruments and to take or cause to be taken such further or other action as SPT may deem necessary or desirable in order to vest in and confirm to SPT title to and possession of any property of UPRR acquired or to be acquired by reason of or as a result of the Merger and otherwise to carry out the intent and purposes hereof, and the proper officers and directors of UPRR and the proper officers and

directors of SPT are fully authorized in the name of UPRR to take any and all such action.

(e) Upon the Merger becoming effective, all obligations and liabilities of UPRR shall be assumed by SPT as if SPT itself had incurred them.

(f) The Merger shall have the effects set forth in the DGCL.

(g) SPT shall maintain a registered agent in the State of Utah to accept service in any proceeding based on a cause of action arising with respect to UPRR in accordance with the provisions of Section 16-10a-1107(2) of the Utah Revised Business Corporation Act.

FIFTH: Anything herein or elsewhere to the contrary notwithstanding, this Agreement and Plan of Merger may be terminated and abandoned by the Board of Directors of either constituent corporation at any time prior to the date of filing the Certificate of Merger with the Secretary of State of the State of Delaware and the Articles of Merger with the Utah Division of Corporations and Commercial Code.

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Exhibit 3.1

CERTIFICATE OF INCORPORATION

OF

UNION PACIFIC RAILROAD COMPANY

ARTICLE I NAME

The name of the corporation is Union Pacific Railroad Company (the "Corporation").

ARTICLE II ADDRESS AND REGISTERED AGENT

The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware (as the same may be amended from time to time, the "GCL").

ARTICLE IV AUTHORIZED SHARES

4.1 Authorized Capital. The Corporation is authorized to issue three classes of capital stock to be designated, respectively, "Common Stock", "Class A Stock" and "Redeemable Preference Shares." The total number of shares of all classes of capital stock which the Corporation shall have authority to issue shall be Fifteen Thousand Five Hundred (15,500). The

total number of authorized shares of Common Stock shall be Nine Thousand Two Hundred (9,200), and the par value of each such share shall be Ten Dollars

(\$10.00). The total number of authorized shares of Class A Stock shall be Eight Hundred (800), and the par value of each such share shall be Ten Dollars (\$10.00). The total number of authorized shares of Redeemable Preference Shares shall be Five Thousand Five Hundred (5,500), with an initial par value of \$10,000 per share.

4.2 Issuance of Class A Stock. The Class A Stock shall be issued only in such number of shares as, when taken together with the number of shares of Common Stock issued and outstanding, will equal 8% of the total number of shares of Class A Stock and Common Stock outstanding.

4.3 Identical Rights and Privileges; Voting; Liquidation. The Common Stock and Class A Stock shall be identical in all respects and shall have the same voting, liquidation and other rights, except as provided herein with respect to cash dividends. The Common Stock and Class A Stock shall vote as a single class on all matters and shall have unlimited voting rights. Upon dissolution, the holders of the Common Stock and Class A Stock shall be entitled to receive the net assets of the Corporation. Such net assets shall be divided among and paid to the holders on a pro-rata basis based on the number of shares of Common Stock and Class A Stock held by them. Each holder of record of the Redeemable Preference Shares shall have the rights and privileges, and shall be subject to the restrictions and limitations, set forth in Article V hereof.

4.4 Dividend Rights of Class A Stock. The shares of Class A Stock shall be entitled to a cash dividend, as and when a cash dividend is declared on the shares of Common Stock, in such amount as shall equal 8% of the sum of such dividend on the Class A Stock and such dividend on the Common Stock, provided that dividends shall be declared and paid in any calendar year on the Class A Stock only to the extent that Unappropriated Allocated Available Income (as defined below) in respect of prior calendar years (including Unappropriated Allocated Available Income for years prior to the merger of MPRR (as defined below) into UPRR (as defined below)) shall be sufficient to pay any required Additional Sinking Fund Payment (as defined below).

If any deficiency in the payment of cash dividends on the Class A Stock occurs because Unappropriated Allocated Available Income is insufficient to permit the requisite Additional Sinking Fund Payment, a special cash dividend shall be paid on the Class A Stock in the amount of such deficiency as and when Unappropriated Allocated Available Income which is subsequently earned in respect of a calendar year suffices to permit an Additional Sinking Fund Payment in the requisite amount related to such special cash dividend to be made in accordance with the preceding paragraph.

Any deficiency in the payment of cash dividends on the Class A Stock of MPRR which shall have accrued prior to the merger of MPRR into UPRR shall, from and after the effectiveness of such merger, be treated as a deficiency in the payment of cash

dividends on the Corporation's Class A Stock and shall be payable to the holders of the Corporation's Class A Stock as a special cash dividend in accordance with the next preceding paragraph.

4.5 No Restrictions on Common Stock Dividends. Nothing in this Article IV shall limit or restrict the amount of dividends which the Corporation may pay on the Common Stock.

4.6 Subdivision or Combination. If the Corporation shall in any mannersubdivide (by stock split, stock dividend or otherwise) or combine (by reverse stock split or otherwise) the outstanding shares of either the Common Stock or the Class A Stock, or in the event of any change in the capitalization of the Corporation as the result of a merger of the Corporation with or into another company or a similar transaction, the voting, dividend and liquidation rights of Class A Stock relative to Common Stock shall be appropriately adjusted so as to avoid any dilution in the aggregate voting, dividend orliquidation rights of the Class A Stock in relation to the Common Stock.

4.7 Definitions. The following definitions shall apply to this Article IV:

An "Additional Sinking Fund Payment" means the sinking fund paymentrequired by the terms of the third paragraph of the Certificates and Section 3.03 of the Indenture and shall be an amount equal to 25% of the aggregate amount of cash dividends declared and paid on the Class A Stock.

The "Certificates" mean the Registered Certificates Representing a Charge on Income issued by MKT and dated as of January 1, 1958, as modified by the Order of the Interstate Commerce Commission served May 19, 1988, in Finance Docket No. 30800 (the "Order").

The "Debentures" mean the 5 1/2% Subordinated Income Debentures dueJanuary 1, 2033, issued by MKT pursuant to the Indenture.

The "Indenture" means that certain Indenture, dated as of January 1, 1958, between MKT and The New York Trust Company, as modified by

(i) a First Supplemental Indenture, dated as of July 1, 1960, between MKT and Chemical Bank New York Trust Company (as successor to The New York Trust Company), (ii) the Order and a Second Supplemental Indenture, dated as of August 12, 1988, between MPRR (as successor to MKT) and Chemical Bank (formerly called Chemical Bank New York Trust Company), (iii) a Third Supplemental Indenture, dated as of January 1, 1997, between

UPRR (as successor to MPRR) and The Chase Manhattan Bank (formerly calledChemical Bank), and (iv) a Fourth Supplemental Indenture, dated as of February 1, 1998, between the Corporation (as successor to UPRR) and The Chase Manhattan Bank.

"MKT" means Missouri-Kansas-Texas Railroad Company, a Delaware corporation.

"MPRR" means Missouri Pacific Railroad Company, a Delaware corporation.

"Unappropriated Allocated Available Income" for a calendar year means the Allocated Available Income (as defined in the Indenture) remaining unappropriated under clause (6) of the provisions of the Certificates relating to the application of Allocated Available Income and paragraph (6) of Section 2.03 of the Indenture.

"UPRR" means Union Pacific Railroad Company, a Utah corporation.

ARTICLE V REDEEMABLE PREFERENCE SHARES

5.1. General. The Redeemable Preference Shares shall be issued in the manner, and shall have and be subject to the designations, privileges, powers, preferences and rights, and the qualifications, limitations, restrictions, and priorities, set forth herein:

(A) Definitions. In addition to the other terms defined in this Amended Certificate of Incorporation, the following definitions shall apply to this Section 5.1, unless the context otherwise requires:

"Agreement" means a written agreement between the Corporation and the United States of America represented by the Secretary acting through the Administrator, for the issuance and sale to the United States of the Shares to which reference is made.

"Secretary" means the U.S. Secretary of Transportation of the United States or his or her designee (by delegation of authority the Administrator of the Federal Railroad Administration, United States Department of Transportation, hereinafter the "Administrator", or his or her designee).

"Share" means a Redeemable Preference Share.

"SSW" means St. Louis Southwestern Railway Company, a Missouri Corporation.

"SSW Mergers" means the merger of SSW into SSW Merger Corp. and the merger of SSW Merger Corp. into UPRR, both of which were effective on September 30, 1997.

"SSW Redeemable Preference Shares" means those redeemable preference shares originally issued by SSW which contained terms substantially similar to the terms of the UPRR Redeemable Preference Shares and which were ultimately converted into UPRR Redeemable Preference Shares as a result of the SSW Mergers.

"UPRR Merger" means the merger of UPRR into the Corporation, which was effective on February 1, 1998.

"UPRR Redeemable Preference Shares" means those redeemable preference shares originally issued by UPRR which contained terms substantially similar to the terms of the Shares as authorized in Article V hereof and which were ultimately converted into Shares issued by the Corporation as a result of the UPRR Merger.

The terms "original issuance date", "issuance date" and words of like import mean the original issuance date of the SSW Redeemable Preference Shares of the applicable series, which were ultimately converted into UPRR Redeemable Preference Shares as a result of the SSW Mergers, which UPRR Redeemable Preference Shares were in turn ultimately converted into Shares as a result of the UPRR Merger.

(B) Other Preference Shares. All Shares of any series shall rank equally and be identical in all respects with all other series of Shares, except as otherwise expressly provided in this Amended Certificate of Incorporation.

(C) Par Value. Each Share shall have an initial par value of \$10,000.00. Upon payment of any mandatory redemption installment of any Shares, the par value of each such Share shall become an amount equal to the initial par value of such Share reduced by the amount of such redemption installment on such Share. The initial par value of any Share shall also be

reduced by (1) the amount of any mandatory redemption installments paid by SSW with respect to any SSW Redeemable Preference Share that was ultimately converted into a UPRR Redeemable Preference Share as a result of the SSW Mergers, and which UPRR Redeemable Preference Share was in turn

ultimately converted into such Share as a result of the UPRR Merger, and

(2) the amount of any mandatory redemption installments paid by UPRR with respect to any UPRR Redeemable Preference Share that was ultimately converted into such Share as a result of the UPRR Merger. Seniority.

(1) The Shares shall be senior in right to all common stock and preferred stock of the Corporation, whenever issued, with respect to dividend and redemption payments, and in the case of liquidation or dissolution of the Corporation; but said Shares shall be subordinate, as to dividend and redemption payments thereon and in the case of liquidation or dissolution of the Corporation, to all of the Corporation's Senior Debt (as defined herein).

(2) As used herein, the term "Senior Debt" means principal and premium, if any, and accrued interest to the extent payable thereon, whether outstanding on the issue date of the Shares or created thereafter but prior to the time the Shares shall become a fixed interest debt obligation of the Corporation (pursuant to the Section providing for the issuance of each series of Shares hereunder or the Agreement) on all the following indebtedness of the Corporation: (a) for

money borrowed by the Corporation, whether the same be evidenced by bonds, notes, equipment trust certificates or debentures or evidenced by a loan agreement or an indenture or similar instruments; or

(b) for money borrowed by others and assumed or guaranteed, directly or indirectly, by the Corporation; or (c) constituting purchase money obligations or mortgage indebtedness for payment of which the Corporation is directly or contingently liable, or on which the Corporation customarily pays interest, including, but not limited to, purchase money bonds, notes, debentures or mortgages, conditional sale agreements, mortgages made or given or guaranteed by the Corporation as mortgagor or guarantor, and assumed or guaranteed mortgages upon property; or (d) under equipment lease obligations; or

(e) to general creditors, including lessors, trade creditors and employees of the Corporation; and (f) if prior to the time the Shares shall become a fixed interest debt obligation of the Corporation, renewals, extensions and refundings of such indebtedness.

(E) Dividends. The Board of Directors shall have no discretion in the declaration and payment of dividends on the Shares. Each outstanding Share shall be entitled to mandatory dividend payments payable annually on the anniversary of the original issue thereof in accordance with the Payment Schedule in the Section providing for the issuance of each series of Shares hereunder; provided, however, that such dividend shall be payable only if and to the extent that (a) the Corporation has "Available Capital" (as defined herein); and (b) the Corporation is not insolvent and the payment of such

dividend would not render the Corporation insolvent. The Administrator shall be the sole determiner of whether conditions (a) and (b) above have been met. "Available Capital" means surplus or net profits or other capital legally available for the payment of dividends, in accordance with the GCL, reduced by any amount the payment of which the Administrator, in the Administrator's sole judgment, deems would impair the safe operation of the railroad properties of the Corporation or the maintenance of the usual standards of efficiency or economy of operation of such properties. The determinations and judgments of the Administrator provided for under clauses (a) and (b) of this paragraph shall be reached following consideration of such information with respect thereto as the Corporation may present to the Administrator not later than thirty (30) days prior to the date specified for payment of such dividend. If the conditions set forth in clauses (a) and (b) are met, either as to the entire amount of such dividend or any part thereof, such dividend (or the part thereof with respect to which such conditions are met) shall become an immediately due and payable debt obligation of the Corporation to the extent such dividend is payable. If any such dividend would not be payable (and is not fully paid) because of failure to meet the conditions set forth in clauses (a) or (b), the unpaid portion thereof shall cumulate until such conditions are met either as to the entire unpaid portion or any part thereof, at which time the Corporation shall pay such unpaid portion (or the part thereof with respect to which such conditions are met) to the extent so payable. If not so paid, such payable amount shall become an immediately due and payable debt obligation of the Corporation. Unless and until the cumulated and then due dividends are fully paid, the Corporation shall not make any distribution of assets, surplus, net

profits or other capital (whether by dividends, redemptions or otherwise) to any other class of the Corporation's securities to which the Shares have priority as to dividends or redemption installments thereon or in the case of dissolution or liquidation. Nothing herein contained, however, gives any holder of Shares the right and privilege to participate in the net profits of the Corporation beyond the aforesaid fixed, preferential annual dividend. Notwithstanding the foregoing, the Corporation shall have the right at its option, to pay at any time part or all of any unpaid portion of a dividend payable or cumulating pursuant hereto, provided that the Corporation is not prohibited at such time from making such payment by the laws of the Corporation's state of incorporation.

Redemption.

(1) Each outstanding Share shall be entitled to mandatory redemption installments payable annually on the anniversary date of the date of issuance thereof in accordance with the Payment Schedule in the Section providing for the issuance of each series of Shares hereunder, but not to exceed in the aggregate the initial par value of such Share. Upon payment of any mandatory redemption installment on any Share, the

par value of such Share shall become an amount equal to the initial par value of such Share reduced by the amount of such redemption installment and all previously paid redemption installments on such Share (including redemption installments paid by SSW in respect of the SSW Redeemable Preference Shares and redemption installments paid by UPRR in respect of the UPRR Redeemable Preference Shares).

(2) The Board of Directors shall have no discretion in the declaration and payment of redemption installments on Shares. Except where prepaid in accordance with the terms and conditions set forth in the Section providing for the issuance of each series of Shares hereunder, each redemption installment shall be paid on its due date to the extent that (a) the Corporation has Available Assets (as defined herein), and (b) the Corporation is not insolvent and the payment of such redemption installment would not render it insolvent. The Administrator shall be the sole determiner of whether conditions (a) and (b) above have been met. "Available Assets" means assets of the Corporation legally available for the redemption of shares of

capital stock in accordance with the GCL, reduced by any amount the payment of which the Administrator, in the Administrator's sole judgment, deems would impair the safe operation of the railroad properties of the Corporation or the maintenance of the usual standards of efficiency or economy of operation of such properties. The determinations and judgments of the Administrator provided for under clauses (a) and (b) of this subparagraph (2) shall be reached following consideration of such information with respect thereto as the Corporation may present to the Administrator not later than thirty (30) days prior to the date specified for payment of such redemption installment. If the conditions set forth in clauses (a) and (b) above are met, either as to the entire amount of such installment or any part thereof, such installment (or the part thereof with respect to which such conditions are met) shall become an immediately due and payable debt obligation of the Corporation to the extent such installment is payable. If any such redemption installment would not be payable (and

is not fully paid) because of a failure to meet the conditions set forth in clauses (a) or (b) hereof, the unpaid portion thereof shall cumulate until such conditions are met as to such unpaid portion to the extent thereof, at which time the Corporation shall pay such unpaid portion (or the part thereof with respect to which such conditions are met) to the extent so payable. If not so paid, such payable amount shall become an immediately due and payable debt obligation of the Corporation. Unless and until the cumulated and then due redemption installments are fully paid, the Corporation shall not make (i) any distribution of assets (whether by dividend, redemption or otherwise) to any other class of the Corporation's securities to which the Shares have priority as to dividends or redemption installments thereon, or in the case of liquidation or dissolution; or

(ii) any voluntary distribution of assets (whether by dividend, redemption, or otherwise) to any of the Corporation's securities which have priority over the Shares as to dividend or redemption installment thereon, without the Administrator's prior written consent.

Nothing herein contained, however, gives any holder of Shares the right and privilege in the case of liquidation or dissolution to participate in the assets of the Corporation beyond the aggregate unredeemed par value of, and unpaid cumulated and unpaid accrued dividends (contingent or fixed principal and vested and/or accrued interest, as the case may be) on the Shares which have been issued to such holder or the outstanding part thereof. Notwithstanding the foregoing, the Corporation shall have the right at its option, to pay at any time part or all of any unpaid portion of a redemption payment payable or cumulating pursuant hereto, provided that the Corporation is not prohibited at such time from making such payment by the laws of the state of its incorporation.

(3) Upon payment of any mandatory redemption installment on any Share, the par value of each such Share shall be reduced by the amount of such redemption installment. If at any time Available Assets are insufficient to pay the full amount of the redemption installments due on Shares having the same date of issuance, such Available Assets shall be applied pro rata to reduce the par value of such Shares. Inclusion by the stockholders of this subparagraph (3) in this Amended Certificate of Incorporation of the Corporation shall constitute the approval by the stockholders, including the holder or holders of the Shares, of all further amendments to said Certificate necessary to reduce the par value of the Shares as contemplated hereunder, and no further meeting of the stockholders, including the holder or holders of the Shares, shall be required to effect such amendments. Upon the reduction of the par value of the Shares hereunder,

the Corporation shall cause a Certificate of Amendment to be filed in accordance with state law.

(4) Shares redeemed pursuant to subparagraphs (1) and (2) of this Paragraph (F) shall be surrendered to the Corporation. Notwithstanding that any certificate for Shares shall not have been surrendered to the Corporation, the rights of the holders of such Shares shall cease and such Shares shall be deemed no longer outstanding, if:

(a) in the case of optional redemption pursuant to the Section providing for the issuance of each series of Shares hereunder, notice shall have been given and, on or before the redemption date specified in such notice, all funds

necessary for such redemption shall have been deposited in trust with the bank or trust corporation specified in the notice; or

(b) in the case of mandatory redemption pursuant to subparagraphs (1) and (3) hereof, payment shall have been made of the

outstanding par value of any Shares and any unpaid cumulated dividends and unpaid accrued dividends (in excess of such unpaid cumulated dividends) thereof, or if the address of the holder of any such Shares is unknown, all funds necessary for such payment shall have been deposited in trust with a national bank or trust company for the benefit of such holder.

(5) Where dividends and redemption installments are to be paid from coincidentally Available Capital and Available Assets, dividends and any accumulations thereof are to be paid first and redemption installments and any accumulations thereof are to be paid second. In no event shall there be a full redemption of any Shares without full payment of all cumulated and then due dividends thereon.

(G) Voting Rights.

(1) Other than as set forth in this Paragraph (G), or as required by law, the Shares shall not have any voting rights in the conduct of the business of the Corporation, and such Shares shall not have any voting rights on any Transaction (as defined in Paragraph (I) hereof) consummated in accordance with the provisions of said Paragraph (I).

(2) Whenever any dividend or redemption payment which is due on the Shares (in accordance with the payment Schedule in the Section providing for issuance of each series of Shares hereunder) shall have remained unpaid for a period of four (4) months, whether or not payable as provided herein, the holder or holders of the Shares shall have the exclusive right to elect or appoint, in the manner hereinafter provided, two persons to serve as members of the Board of Directors of the Corporation, in which event the number of directors constituting the Board of Directors shall be increased by two to reflect such newly created directorships. Whenever the right of the holder or holders of the Shares to elect or appoint two members of the Board of Directors shall have vested, it shall be exercised initially in the most expeditious manner, either by written consent of such holder or holders as provided or permitted by law, or at an annual meeting of the stockholders, or at a special meeting of stockholders called in accordance with the By-Laws,

and thereafter either by such written consent or at such annual or special meeting. The term of office of the directors so elected or appointed by the holder or holders of the Shares shall continue until the next annual meeting or until their successors are elected or appointed, provided that upon payment by the Corporation of all dividend and redemption installments which are due, such terms shall forthwith terminate. Any vacancies in the two specially created directorships prior to such

termination may be filled by written consent of the holder or holders of the Shares. Notwithstanding the foregoing, in no event shall such holder or holders be entitled at any time to elect or appoint more than an aggregate of two members of the Corporation's Board of Directors.

(H) Liquidation, Dissolution or Winding Up.

(1) In the event of any voluntary liquidation, dissolution or winding up of the Corporation, but only in the event that the Shares shall not have become a debt obligation of the Corporation pursuant to the Agreement, the holders of Shares shall be entitled to receive, after payment in full of Senior Debt, the outstanding par value plus any unpaid cumulated and unpaid accrued dividends (in excess of unpaid cumulated dividends) thereon.

(2) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, but only in the event that the Shares shall have become a debt obligation of the Corporation pursuant to the Agreement, the holders of Shares shall be entitled to receive after payment in full of Senior Debt, the unpaid principal thereof and all unpaid interest thereon due to the date of payment whether accrued, contingent, cumulated or vested or whether previously denoted par value and dividends.

(3) If the distributable assets are insufficient to make payment in full in accordance with the foregoing subparagraphs (1) and (2), such assets shall be distributed pro rata to the holders of the Shares according to the outstanding par value of such Shares held by each.

(I) Merger or Consolidation. In the case of any consolidation of the Corporation with, or merger of the Corporation with or into, one or more corporations (other than a consolidation or merger in which the Corporation is the continuing corporation and which does not result in any reclassification or change in securities of the Corporation), or in case of any sale or conveyance to another corporation of the property of the Corporation as an entirety or substantially as an entirety, or in the case of a reclassification or change of any outstanding equity security of the Corporation (other than a change in par value, or from par value to no par value, or as a result of a subdivision or combination) (any and all such events being herein called a "Transaction"), the Corporation or such successor or purchasing corporation shall give to the holders of the Shares written notice thereof at least twenty (20) days prior to the effective date of the Transaction and shall have its authorized representative certify to the holders that the

holders of such Shares then outstanding shall have the same rights and privileges upon the effectiveness of such Transaction as the holders had immediately prior thereto. Nothing herein, however, waives any of the holders' rights available under the laws of the Corporation's state of incorporation.

(J) Agreement.

(1) Shares shall be subject to and entitled to the benefits of these Articles and an Agreement. An Agreement gives the holders of a majority of aggregate par value then outstanding of the Shares the

rights, upon the happening of certain events of default set forth in the Agreement, to declare the Shares to be a fixed interest debt obligation of the Corporation and/or to declare an acceleration of redemption payments (or principal payments, as the case may be) to not less than 15 annual payments (including payments already made), with such payments (or further payments) to begin 10 days after declaration thereof (except, if scheduled redemptions have already begun, to continue with the next redemption installment) but not earlier than the 6th anniversary date of the date of the original issuance of Shares and/or to declare an increase in the dividend rate (or interest rate, as the case may be) on the Shares in accordance with the Section providing for the issuance of each series of Shares. Except as otherwise provided, commencing upon each such declaration and until the next declaration each subsequent payment shall be equal in total redemption and dividend (principal and interest) amount. In the event of certain other events of default, including the Corporation's discontinuance of business, making a general assignment for the benefit of creditors, and filing a petition in bankruptcy, the Shares shall automatically become a fixed interest debt obligation of the Corporation and the redemption installments (or principal payments, as the case may be) set forth in the Payment Schedule in the Section providing for the issuance of each series of Shares hereunder shall automatically accelerate to a maximum of 15 annual payments (including payments already made), each subsequent payment to be equal in total principal and interest amount, with such payments (or further payments) to begin immediately upon the occurrence of such event of default (except, if scheduled redemptions have already begun, to continue with the next redemption installment) but not earlier than the 6th anniversary date of the date of original issuance of the Shares, and the dividend rate (or interest rate, as the case may be) on the Shares shall automatically be to the highest permissible rate raised in accordance with the Section providing for the issuance of each series of Shares.

Notwithstanding the provisions of this subparagraph, the Shares may become a fixed interest debt obligation only if, when and to the extent they may become a debt obligation without violating any provisions of the laws of the Corporation's state

of incorporation. The holders of the Shares and the Corporation agree that in the event of any litigation concerning the question of whether the provisions of the laws of the Corporation's state of incorporation must be met in order that the Shares become a fixed interest debt obligation of the Corporation pursuant to an Agreement, no evidence other than the Agreement and the Shares as to the intent of the parties to the Agreement on such question shall be introduced by the parties to the Agreement. Except as otherwise provided in this Paragraph (J) or an Agreement, upon the Shares becoming a fixed interest debt obligation hereunder, the Payment Schedule in the Section providing for the issuance of each series of Shares hereunder shall represent fixed mandatory interest (at the dividend rate set forth in such Section hereunder) and principal payments, and any unpaid cumulated dividend

and/or redemption installments (and contingent interest and/or principal payments, as the case may be), shall respectively become immediately due and payable accrued interest and principal (and any accrued dividends or vested right to interest shall become immediately accrued interest payable in accordance with the Payment Schedule in the Section providing for the issuance of each series of Shares hereunder except as otherwise provided in this Paragraph (J) or the Agreement) and such fixed mandatory interest payments and fixed mandatory principal payments shall be, when due, an absolute and unconditional obligation of the Corporation and shall not be governed by statutory limitations regarding distributions in respect of equity securities, nor by the provisions of Paragraphs (E) and (F) hereof.

(2) If the Corporation shall classify the Shares as debt on any balance sheet furnished to any class of its stockholders or creditors, or otherwise issued publicly, such Shares shall automatically become a subordinated debt obligation of the Corporation ("Subordinated Debt") as of the date of such balance sheet, and dividend and redemption installments thereon shall become, respectively, contingent interest and principal payments, provided such Shares could lawfully become Subordinated Debt. In such event, contingent interest will be payable at the dividend rate set forth in the Section providing for the issuance of each series of Shares hereunder and in accordance with the Payment Schedule in such Section hereunder (except as otherwise provided in this Paragraph (J) or the Agreement); provided, however, that the Corporation's obligation to pay contingent interest shall be subject to the conditions set forth in clauses

(a) and (b) of Paragraph (E). Contingent principal payments will be payable in accordance with the provisions of Paragraph (F) hereof (except as otherwise provided in this Paragraph (J) or the Agreement); provided, however, that the Corporation's obligation to pay contingent principal payments shall be subject to the conditions set forth in clauses (a) and (b) of subparagraph

(2) of Paragraph (F). Such Shares which have become Subordinated Debt will be subordinate to Senior Debt of the Corporation. The classification of the Shares as Debt and such Shares becoming Subordinated Debt in accordance with this

subparagraph shall not constitute an event of default under the Agreement, but if an event of default shall have occurred before or shall occur after such Shares have become Subordinated Debt, such Subordinated Debt may become fixed interest debt as that term is used in the Agreement when Shares directly become fixed interest debt.

(K) No Waiver. The failure of any holder of Shares to exercise any rights granted to it hereunder or under the share certificate shall not constitute a waiver of such rights or of any other rights. Failure by any holder of Shares to exercise any rights granted hereunder or under the share certificate, in the event of non-payment of any required payment when due, shall not be deemed a waiver of such non-payment or of further non-payments by the Corporation. The remedies granted to the holders of Shares hereunder or under the share certificate shall be deemed cumulative and not exclusive.

(L) Certificates. The Shares are issued subject to the following conditions and each certificate for such Shares shall be marked

or stamped substantially as follows:

"The preferences and other rights, terms and conditions of the Redeemable Preference Shares are as stated in the Corporation's Amended Certificate of Incorporation. A written description of such preferences and other rights, terms and conditions will be supplied upon request to each holder by the Corporation. This Certificate is issued subject to the provisions limiting transfer or sale of the Shares of the Corporation contained in the Amended Certificate of Incorporation, and neither this Certificate nor any of the Shares represented by it may be sold, transferred or assigned, except in accordance with the provisions of the Amended Certificate of Incorporation. A full statement of said limitations upon transfer or sale will be furnished upon request and without

charge to any stockholder.

The Shares represented by this Certificate have not been registered under the Securities Act of 1933, as amended, or any other state or Federal laws, including the provisions of Section 11301 of Title 49 of the United States Code (49 U.S.C. 11301). Such shares have been acquired for investment and all holders thereof at any time hereby acknowledge and agree that such shares may not be offered for sale, sold, delivered after sale, transferred, pledged or hypothecated, nor will any assignee or endorsee hereof be recognized as an owner hereof by the issuer for any purpose, unless a Registration Statement under the Securities Act of 1933 as amended with respect to such Shares shall then be in effect and the

requirements of other applicable state and Federal laws, rules and regulations, including Section 11301 of Title 49 of

the United States Code, shall have been complied with or unless the availability of an exemption from registration shall be established to the satisfaction of outside counsel for the Corporation, whose fees shall be paid by the Corporation. In determining the availability of such an exemption such counsel shall take into account the Corporation's obligation hereunder to make available adequate current information concerning the Corporation. The Corporation shall be under no obligation to pay for any registration of such Shares under applicable state and Federal laws, rules and regulations, or otherwise to pay (except for such outside counsel fees) for any steps which might be necessary to accomplish a transfer of such Shares under such laws. Upon the request of any holder of such Shares or part thereof, the Corporation will make available adequate current information concerning the Corporation to enable such holder to sell such Shares or part thereof (whether or not a sale is then contemplated) in compliance with such Federal and state laws, rules and regulations to the extent such information shall not already be publicly available. In addition, the United States of America (and no other holder) hereby acknowledges and agrees that no such Shares shall be transferred or conveyed except upon twenty (20) days' prior written notice to the Corporation of the terms and conditions of such proposed transfer or conveyance and that, for twenty days after receipt of such notice, the Corporation shall have the right of first refusal to purchase any such Shares to be transferred or conveyed."

(M) Alteration of Rights. So long as any Shares are outstanding, the Corporation shall not without the written consent or affirmative vote of the holders of at least 2/3rds of such Shares, amend, alter or repeal the powers, preferences or special rights of such Shares so as to affect them adversely.

5.2 Series A. The relative rights, preferences, limitations and restrictions of the Redeemable Preference Shares, Series A (the "Series A Shares") which are not otherwise provided for in Section 5.1 hereunder are as follows (terms not otherwise defined under this Section 5.2 shall have the meanings given them in Section 5.1 hereunder):

(A) Dividends.

(1) The holders of Series A Shares shall be entitled to receive fixed preferential annual dividends in cash at the rate of 4.2% on the then outstanding par value thereof payable annually on the anniversary date of the date of issuance thereof commencing on the 11th anniversary in accordance with the payment schedule in Paragraph (C) hereunder (the "Payment Schedule"); provided that for the purpose of this subparagraph "the then outstanding par value" shall be determined for each year as if all scheduled mandatory redemption installments had been paid, whether or not such installments have in fact been paid.

(2) Except in the case of optional redemption of Series A Shares by the Corporation according to the terms prescribed, each Series A Share shall accrue a dividend of 50% of its initial par value commencing on the 10th anniversary date of its original issuance, which accrual shall

be payable in accordance with the provisions hereof. If, prior to or upon any liquidation, dissolution or winding up of the Corporation, (a) such Series A Share has become a Subordinated Debt obligation of the Corporation (pursuant to this Amended Certificate of Incorporation or the Agreement), such dividend accrual of 50% or the remaining unpaid portion thereof shall become a vested right to interest to the extent of such unpaid portion, but shall be payable only in accordance with such Agreement and this Amended Certificate of Incorporation, or (b) such Series A Share shall become a fixed interest debt obligation of the Corporation (pursuant to this Amended Certificate of Incorporation or the Agreement), such dividend accrual of 50% or the remaining unpaid portion thereof, or such vested right to interest or the remaining unpaid portion thereof, shall become an immediate interest accrual to the extent of such unpaid portion, but shall be payable only in accordance with the Agreement and this Amended Certificate of Incorporation.

(3) Except as otherwise provided herein or in the Agreement the total amount of dividends payable on each Series A Share shall not exceed 50% of the initial par value thereof.

(B) Redemption.

(1) Prior to the 11th anniversary date of the date of issuance of any Series A Shares, the Corporation may at its option redeem any number of such Shares at any time at a redemption price of the initial par value of such Shares plus a per Share premium of \$203.00 (or such other amount as correlates to the then determined yield to

maturity multiplied by 100) multiplied by the number of years (including fractional years as whole years) such Shares were outstanding. If less than all of the outstanding Series A Shares are to be redeemed, the Shares to be redeemed shall be determined by lot or in any other fair and impartial manner normally used to select Shares for redemption or as hereafter provided. If redemption is to be by lot each certificate representing more than one Share shall be assigned a number for each Share represented by such certificate.

(2) On or after the 11th anniversary date of the date of issuance of any Series A Shares, the Corporation may at any time redeem Series A Shares but no less than all such Shares having that same date of issuance, at a redemption price of the then outstanding par value of such Shares and all unpaid cumulated dividends thereon, plus a per Share premium of \$203.00 (or such other amount as correlates to the then determined yield to maturity multiplied by 100) multiplied by the number of years (including fractional years as whole years) such Shares were outstanding. If such Shares

shall have become contingent or fixed debt, as the case may be, prepayment shall be in an amount computed hereby as if the Shares had not become such.

(3) There shall be credited only against the premium payable on any optionally redeemed Series A Shares (but not against the par value or dividends thereof) the aggregate amount of dividends previously payable and then paid on such optionally redeemed Series A Shares.

(4) Notice of optional redemption of Series A Shares shall be mailed, addressed to the holders of record of the Shares to be redeemed at their respective addresses as they shall appear on the stock books of the Corporation at least 10 days prior to the date fixed for redemption.

(C) Payment Schedule for Series A Shares.

Redemption Anniversary Date
Installments of Issuance
Share

Dividends
Per Share Per

1980.	--	1981.	
.	--	1982.	-- 1983.
.	--	1984.	
-- 1985.	--		
1986.	--	1987.	
.	--	1988.	-- 1989.
.	--	1990.	
-- 1991.	\$421.43	\$328.57	1992.
.	406.53	343.47	1993.
.	393.20	356.80	1994.
.	378.18	371.82	1995.
362.53	387.47	1996.	
347.30	402.70	1997.	
329.23	420.72	1998.	
311.52	438.48	1999.	
293.06	456.94	2000.	
273.82	476.18	2001.	
253.77	496.23	2002.	
232.87	517.13	2003.	
211.09	538.91	2004.	
188.39	561.61	2005.	
164.73	585.27		
2006.	140.08	609.92	
.			
2007.	114.38	635.62	
.			
2008.	87.60	662.40	
.			
2009.	59.69	690.31	
.			
2010.	30.60	719.40	
.			

(D) Agreement. Series A Shares shall be subject to and entitled to the benefits of this Amended Certificate of Incorporation and an Agreement. The Agreement gives the holders of a majority of aggregate par value then outstanding of the Series A Shares the rights, upon the happening of certain events of default set forth in the Agreement, to declare the Series A Shares to be a fixed interest debt obligation of the Corporation and/or to declare an acceleration of redemption payments (or principal payments, as the case may be) to not less than 15 annual payments (including payments already made), with such payments (or further payments) to begin 10 days after declaration thereof (except, if scheduled redemptions have already begun, to continue with the next redemption installment) but not earlier than the 6th anniversary date of the date of the original issuance of Series A Shares and/or to declare an increase in the dividend rate (or interest rate, as the case may be)

in the Series A Shares so as to reflect a yield to maturity on the

Series A Shares of 2.03% from the date of original issuance to the declaration date and up to 6.68% from the declaration date, which yields shall return to the holder not less than 150% of the aggregate par value of the Shares (but with accrual and payment thereof to commence not earlier than the 10th anniversary date of the date of original issuance of the Series A Shares). Except as otherwise provided, commencing upon each such declaration and until the next declaration each subsequent payment shall be equal in total redemption and dividend (principal and interest) amount. In the event of certain other events of default, including the Corporation's discontinuance of business, making a general assignment for the benefit of creditors, and filing a petition in bankruptcy, the Series A Shares shall automatically become a fixed interest debt obligation of the Corporation and the redemption installments (or principal payments, as the case may be) set forth in the Payment Schedule in this Section shall automatically accelerate to a maximum of 15 annual payments (including payments already made), each subsequent payment to be equal in total principal and interest amount, with such payments (or further payments) to begin immediately upon the occurrence of such event of default (except, if scheduled redemptions have already begun, to continue with the next redemption installment) but not earlier than the 6th anniversary date of the date of original issuance of the Series A Shares, and the dividend rate (or interest rate, as the case may be) on the Series A Shares shall automatically be raised so as to reflect a yield to maturity on the Series A Shares of 2.03% from the date of original issuance to the date of such event of default and 6.68% from the date of such event of default, which yields shall return to the holder not less than 150% of the aggregate par value of the Shares (but with accrual and payment thereof to commence not earlier than the 10th anniversary date of the date of original issuance of the Series A Shares).

Notwithstanding the provisions of this subparagraph, the Series A Shares may become a fixed interest debt obligation only if, when and to the extent they may become a debt obligation without violating any provisions of the laws of the Corporation's state of incorporation. The holders of the Series A Shares and the Corporation agree that in the event of any litigation concerning the question of whether the provisions of the laws of the Corporation's state of incorporation must be met in order that the Series A Shares become a fixed interest debt obligation of the Corporation pursuant to this Amended Certificate of Incorporation and the Agreement, no evidence other than the Agreement and the Series A Shares as to the intent of the parties to the Agreement on such question shall be introduced by the parties to the Agreement. Except as otherwise provided in this Paragraph (D) or the Agreement, upon the Series A Shares becoming a fixed interest debt obligation hereunder, the Payment Schedule in this Section shall represent fixed mandatory interest (at the dividend rate set forth in this Section) and principal payments, and any unpaid

cumulated dividend and/or redemption installments (and contingent

interest and/or principal payments, as the case may be), shall respectively become immediately due and payable accrued interest and principal (and any accrued dividends or vested right to interest shall become immediately accrued interest payable in accordance with the Payment Schedule in this Section except as otherwise provided in this Paragraph (D) or the Agreement), and such fixed mandatory interest payments and fixed mandatory principal payments shall be, when due, an absolute and unconditional obligation of the Corporation and shall not be governed by statutory limitations regarding distributions in respect of equity securities, nor by the provisions of Paragraphs (E) and (F) of Section 5.1 hereof.

5.3 Series B. Sections 5.1 and 5.2 herein shall apply to the Redeemable Preference Shares issued to finance the rehabilitation of certain parts of Armourdale Yard, Kansas City, Kansas, only if a court of competent jurisdiction by a final, binding judgment determines that such Redeemable Preference Shares shall be equity instruments in which case they shall be denoted for purposes hereof as "Series B Shares."

The relative rights, preferences, limitations and restrictions of the Series B Shares which are not otherwise provided for in Section 5.1 hereunder are as follows (terms not otherwise defined under this Section 5.3 shall have the meanings given them in Section 5.1 hereunder):

Dividends.

(1) The holders of Series B Shares shall be entitled to receive fixed preferential annual dividends in cash at the rate of 28.454524% on the then outstanding par value thereof payable annually on the anniversary date of the date of issuance commencing upon the date of issuance in accordance with the payment schedule in Paragraph (C) hereunder (the "Payment Schedule"); provided that for the purpose of this subparagraph "the then outstanding par value" shall be determined for each year as if all scheduled mandatory redemption installments had been paid, whether or not such installments have in fact been paid.

(2) Except in the case of optional redemption of Series B Shares by the Corporation according to the terms prescribed, each Series B Share shall accrue a dividend commencing on the 10th anniversary date of its original issuance, which accrual shall be payable in accordance with the provisions hereof. If, prior to or upon any liquidation, dissolution or winding up of the Corporation, (a) such Series B Share has become a Subordinate Debt obligation of the Corporation (pursuant to this Amended

Certificate of Incorporation or the Agreement), such dividend accrual thereof shall

become a vested right to interest to the extent of such unpaid portion, but shall be payable only in accordance with such Agreement and this Amended Certificate of Incorporation, or (b) such Series B Share shall become a fixed interest debt obligation of the Corporation (pursuant to this Amended Certificate of Incorporation or the Agreement), such dividend accrual or the remaining unpaid portion thereof, or such vested right to interest or the remaining unpaid portion thereof, shall become an immediate interest accrual to the extent of such unpaid portion, but shall be payable only in accordance with the Agreement and this Amended Certificate of Incorporation.

(B) Redemption.

(1) Prior to the 6th anniversary date of the date of issuance of any Series B Share, the Corporation may, at its option, redeem or cause to be redeemed any number of such Series B Shares at any time, but only at a redemption price of the then outstanding par value of each such Series B Share and all unpaid, accrued dividends thereon to the date of such redemption, plus a per Series B Share premium of four hundred ninety dollars (\$490) for each year (including fractional years as whole years) such Series B Shares were outstanding. If less than all of the outstanding Series B Shares are to be redeemed, the Series B Shares to be redeemed shall be determined by lot or in any other fair and impartial manner.

(2) After the 6th anniversary date of the date of issuance of any Series B Share, the Corporation may, at its option, redeem or cause to be redeemed at any time only all such Series B Shares having the same date of issuance, and only at a redemption price equal to the then outstanding par value of each such Series B Share and all unpaid, accrued dividends thereon to the date of such redemption, plus a per Series B Share premium of four hundred ninety (\$490) for each year (including fractional years as whole years) such Series B Shares were outstanding.

(3) There shall be credited only against the premium payable on any optionally redeemed Series B Share (but not against the par value or dividends thereof), the aggregate amount of dividends paid on such optionally redeemed Series B Share.

(4) Notice of optional redemption of any Series B Share shall be mailed and addressed to the Administrator in accordance with the manner specified in Section 8.06 of the Series B Share Agreement.

Payment Schedule for Series B Shares.

Period 1	Par Value	0	Dividends	0	Total Payment	0
2		0		0	0	
3		0		0	0	
4		0		0	0	
5	0 0 0 0 6	\$1,215.50		0	\$1,215.50	7
1,215.50			0	1,215.50	8	1,215.50
0 1,215.50	9	1,215.50		0	1,215.50	10
1,215.50			0	1,215.50	11	99.37 \$1,116.13
1,215.50	12	127.65	1,087.85	1,215.50	13	163.97
1,051.53	1,215.50	14	210.63	1,004.87	1,215.50	15

270.56	944.94	1,215.5016	347.55	867.95
1,215.5017	446.44	769.06	1,215.5018	573.47 642.03
1,215.5019	736.65	478.85	1,215.5020	946.21 269.29
1,215.50				

\$10,000.00	\$8,232.50	\$18,232.50
-------------	------------	-------------

(D) Agreement. Series B Shares shall be subject to, and entitled to the benefits of an Agreement and this Amended Certificate of Incorporation. The holders of a majority of aggregate par value outstanding of the Series B Shares may upon the happening of certain events of default as set forth in the Agreement declare the Series B Shares to be a fixed interest debt obligation of the Corporation and/or declare an increase in the dividend rate (or interest rate, as the case may be) on the Series B Shares so as to reflect a yield to maturity on the Series B Shares of 4.90% from the date of original issuance to the declaration date and up to 8.72% from the declaration date (but with accrual and payment thereof to commence not earlier than the 10th anniversary date of the date of original issuance of the Series B Shares). Except as otherwise provided, commencing upon each such declaration and until the next declaration each subsequent payment shall be equal in total redemption and dividend (principal and interest) amount. In the event of certain other events of default, including the Corporation's discontinuance

of business, making a general assignment for the benefit of creditors, and filing a petition in bankruptcy, the Series B Shares shall automatically become a fixed interest debt obligation of the Corporation and the dividend rate (or interest rate, as the case may be) on the Series B Shares shall automatically be raised so as to reflect as yield to maturity on the Series B Shares of 4.90% from the date of original issuance to the date of such event of default and 8.72% from the date of such event of default (but with accrual and payment thereof to commence not earlier than the 10th anniversary date of the date of original issuance of the Series B Shares).

Notwithstanding the provisions of this subparagraph, the Series B Shares may become a fixed interest debt obligation only if, when and to the extent they may become a debt obligation without violating any provisions of the laws of the Corporation's state of incorporation. The holders of the Series B Shares and the Corporation agree that in the event of any litigation concerning the question of whether the provisions of the laws of the Corporation's state of incorporation must be met in order that the Series B Shares become a fixed interest debt obligation of the Corporation pursuant to this Amended Certificate of Incorporation and the Agreement, no evidence other than the Agreement and the Series B Shares as to the intent of the parties to the Agreement on such question shall be introduced by the parties to the Agreement. Except as otherwise provided in this Paragraph (D) or the Agreement, upon the Series B Shares becoming a fixed interest debt obligation hereunder, the Payment Schedule in this Section shall represent fixed mandatory interest (at the dividend rate set forth in this Section) and principal payments, and any unpaid cumulated dividend and/or redemption installments (and contingent

interest and/or principal payments, as the case may be), shall respectively become immediately due and payable accrued interest and principal (and any accrued dividends or vested right to interest shall become immediately accrued interest payable in accordance with the Payment Schedule in this Section except as otherwise provided in this Paragraph (D) or the Agreement), and such fixed mandatory interest payments and fixed mandatory principal payments shall be, when due, an absolute and unconditional obligation of the Corporation and shall not be governed by statutory limitations regarding distributions in respect of equity securities, nor by the provisions of Paragraphs (E) and (F) of Section 5.1 hereof.

ARTICLE VI MANAGEMENT PROVISIONS

The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and its directors and stockholders:

6.1 By-Laws. The directors of the corporation shall have concurrent power with the stockholders to adopt, alter, amend, change, add to or repeal the By-laws of the Corporation.

6.2 Limitation of Liability of Directors. To the fullest extent permitted by the GCL or any other applicable law as now in effect or as may hereafter be amended, a director of the Corporation shall not be liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a director. No amendment to or repeal of this Article VI shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any action or failure to act by such director occurring prior to such amendment or repeal.

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Exhibit 3.2
BY-LAWS

OF

UNION PACIFIC RAILROAD COMPANY
As Amended and Restated Effective as of February 1,

1998

BY-LAWS

OF

UNION PACIFIC RAILROAD COMPANY

(As Amended and Restated Effective as of February 1, 1998)

ARTICLE I

STOCKHOLDERS MEETINGS

SECTION 1. Meetings, annual or special, of the stockholders of this Company may be held at such place or places as shall be ordered by the Board of Directors or the Executive Committee.

SECTION 2. Annual meetings of the stockholders, for the purpose of electing directors and transacting any other business, shall be held at such time as shall be ordered by the Board of Directors or the Executive Committee, but, unless otherwise ordered, shall be held at 11:00 a.m. on the third Friday of April in each year.

SECTION 3. A special meeting of the stockholders may be called by the Board of Directors, the Executive Committee or by any other person who, at such time, is authorized by the General Corporation Law of the State of Delaware (the "GCL") to call a special meeting of stockholders. The objects of a special meeting shall be stated in the order therefor, and the business transacted shall be confined to such objects.

SECTION 4. Notice of all meetings of the stockholders shall be given, either personally or by mail, not less than ten nor more than sixty days prior thereto. If given by mail, the notice shall be sent by United States mail, postage prepaid, directed to each stockholder at his address as it appears on the records of the Company. The notice of all special meetings shall state the objects thereof. The failure to give notice of an annual meeting, or any irregularity in the notice, shall not affect the validity of such annual meeting or of any proceedings thereat. Any stockholder may consent in writing to the holding of a special meeting without notice.

SECTION 5. The Board of Directors or the Executive Committee may fix in advance a day and hour, which shall not precede the date upon which the resolution fixing such day and hour is adopted by the Board of Directors or the Executive Committee and which shall be not more than sixty nor less than ten days preceding any annual or special meeting of stockholders or, in the case of action of stockholders without a meeting, more than ten days after the date upon which the resolution fixing such day and hour is adopted by the Board of Directors or the Executive Committee, as the time for the

determination of stockholders entitled to vote at such meeting or to take such action. Stockholders of record at the time so fixed by the Board of Directors or the Executive Committee and only such stockholders shall be entitled to vote at such meeting. Each share of stock shall entitle such record holder thereof to one vote, in person or by proxy in writing.

SECTION 6. The Chairman of the Board, and in his absence the Chairman of the Executive Committee, and in their absence the President or one of the Vice Presidents, shall call meetings of the stockholders to order and act as chairman of such meetings. In the absence of all of these officers, the Board of Directors may appoint a chairman of the meeting to act in such event; but if the Board shall not make such appointment, then, in the absence of all of these officers, any stockholder or proxy of any stockholder may call the meeting to order, and a chairman shall be elected.

SECTION 7. The Secretary of the Company shall act as secretary at all meetings of the stockholders; but the Board of Directors or the Executive Committee may designate an Assistant Secretary for that purpose before the meeting, and if no such designation shall have been made, then the presiding officer at the meeting may appoint any person to act as secretary of the meeting.

SECTION 8. Stockholders may take action on a matter at a meeting only if a quorum exists with respect to that matter. Unless the certificate of incorporation or the GCL provide otherwise, a majority of the shares entitled to vote on the matter, represented in person or by proxy, constitutes a quorum for action on that matter. If a quorum exists, action on a matter, other than the election of directors, by stockholders is approved if the votes cast favoring the action exceed the votes cast opposing the action, unless the certificate of incorporation or the GCL require a greater number of affirmative votes. Directors are elected by a plurality of the votes cast by the shares entitled to vote in the election, represented in person or by proxy, at a meeting at which a quorum is present.

ARTICLE II

BOARD OF DIRECTORS

SECTION 1. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Board of Directors, which shall consist of sixteen members. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a vote of the Board and, if the directors remaining in office consist of fewer than a quorum of the Board, a majority of directors then in office, though less than a quorum, may fill the

vacancy. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any director appointed by the Board of Directors to fill a directorship caused by an increase in the number of directors shall serve until the next annual meeting or a special meeting of the stockholders called for the purpose of electing directors.

SECTION 2. Regular meetings of the Board of Directors shall be held at such times as the Board shall from time to time designate, and no further notice of such regular meetings shall be required. Special meetings shall be held whenever called by order of the Chairman of the Board, the Chairman of the Executive Committee, or the Executive Committee or any five members of the Board. Notice of special meetings shall be given, at least one day prior thereto, by personal service of written notice upon the directors or by delivering the same at, or transmitting the same by first class mail, facsimile transmission, telephone or other electronic means to, their respective residences or offices. Any director may consent in writing to the holding of a special meeting without notice, and the attendance or participation of any director at a special meeting shall constitute a waiver by him of call and notice thereof and a consent to the holding of said meeting and the transaction of any corporate business thereat, unless the director at the beginning of the meeting, or promptly upon the director's arrival, objects to holding the meeting or transacting business thereat because of lack of notice or defective notice, and does not thereafter vote for or assent to the action taken at the meeting. Meetings of the Board of Directors may be held at such place or places as shall be ordered by the Executive Committee or by a majority of the directors in office, but, unless otherwise ordered, all meetings of the Board of Directors shall be held at the principal executive offices of the Company in Dallas, Texas.

SECTION 3. A majority of the number of directors prescribed by Article II, Section 1 shall constitute a quorum at all meetings of the Board. If a quorum be not present at any meeting, a majority of the directors present may adjourn the meeting until a later day or hour.

ARTICLE III

EXECUTIVE COMMITTEE

SECTION 1. There shall be an Executive Committee consisting of such number of directors as shall be elected thereto by the vote of the majority of the directors then in office, whose terms of office shall continue during the pleasure of the Board. Except to the extent otherwise provided in the GCL, the Executive Committee shall, when the Board of Directors is not in session, have all the powers of the Board of Directors to manage and direct all the business and affairs of the Company in all cases in which specific directions shall not have been given by the Board of Directors.

SECTION 2. Meetings of the Executive Committee may be called at any

time by the Chairman of the Board, the Chairman of the Executive Committee, or a majority of the members of the Executive Committee, to convene at such time and place as may be designated. The rules regarding notice of meetings of the Board set forth in Section 2 of Article II of these By-Laws shall apply to meetings of the Executive Committee.

SECTION 3. A majority of the members of the Executive Committee shall constitute a quorum. If a quorum be not present at any meeting, the member or members of the Committee present may adjourn the meeting until a later day or hour.

ARTICLE IV

OFFICERS AND AGENTS

SECTION 1. The Board of Directors may elect such of the following officers as it deems necessary or desirable: a Chairman of the Board, a Chairman of the Executive Committee, a Chief Executive Officer, a President, a Chief Operating Officer, a Chief Financial Officer, a Chief Accounting Officer, an Executive Vice President-Finance and Administration, an Executive Vice President-Marketing and Sales, an Executive Vice President-Operation, a Vice President and General Counsel, a Vice President-Taxes, a Controller, a Secretary, a Treasurer and such other Executive Vice Presidents, Senior Vice Presidents and Vice Presidents as the Board shall determine, and there may also be appointed by the Board of Directors or Executive Committee such Assistant Secretaries, Assistant Treasurers, General Tax Counsels and other officers and agents as the Board of Directors or Executive Committee shall from time to time determine.

SECTION 2. The Chairman of the Board shall perform such duties and possess such powers as may be prescribed or conferred by the Board of Directors or the Chairman of the Executive Committee.

SECTION 3. The Chairman of the Executive Committee shall preside at meetings of the Executive Committee and Board of Directors, and shall have general supervision of all business of the Company and of the interest of the Company in all companies controlled by it and shall perform such other duties and possess such powers as may be prescribed or conferred by the Board of Directors.

SECTION 4. The Chief Executive Officer shall have charge of all departments and offices of the Company and of the interest of the Company in all companies controlled by it and shall perform such other duties and possess such powers as may be prescribed or conferred by the Board of Directors or the Chairman of the Executive Committee.

SECTION 5. The President shall perform such duties and possess such powers as may be prescribed or conferred by the Board of Directors or the Chief Executive Officer.

SECTION 6. The Chief Operating Officer shall have day to day operating responsibilities for the affairs of the Company, reporting to the Chief Executive Officer, and shall perform such other duties as may be prescribed or conferred by the Chief Executive Officer.

SECTION 7. The Chief Financial Officer shall have general supervision of the financial affairs and investments of the Company and shall perform such other duties as may be prescribed or conferred by the Chairman of the Executive Committee.

SECTION 8. The Executive Vice President-Finance and Administration shall have immediate charge of the financial affairs and investments of the Company and shall have general supervision of the information technologies systems of the Company and shall perform such other duties as may be prescribed or conferred by the President.

SECTION 9. The Executive Vice President-Marketing and Sales shall have charge of all marketing and sales activities of the Company and shall perform such other duties as may be prescribed or conferred by the President.

SECTION 10. The Executive Vice President-Operation shall have charge of the maintenance and operation of the railroads of the Company and shall perform such other duties as may be prescribed or conferred by the Chief Operating Officer.

SECTION 11. The other Executive Vice Presidents and Senior Vice Presidents elected from time to time shall perform such duties and possess such powers as may be prescribed or conferred by the Board of Directors or the President.

SECTION 12. The Vice President and General Counsel shall have general supervision of all legal business of the Company except as otherwise provided in Section 13 of this ARTICLE IV, and shall perform such other duties as may be prescribed or conferred by the Chairman of the Executive Committee.

SECTION 13. The Vice President-Taxes shall, under the control of the Chief Financial Officer, have charge of all aspects of federal, foreign, state and local taxes and shall perform such other duties as may be prescribed or conferred by the Chief Financial Officer.

SECTION 14. The other Vice Presidents elected from time to time shall perform such duties and possess such powers as may be prescribed or conferred by the Board of Directors or the President.

SECTION 15. Except as otherwise provided herein or directed by the Board of Directors, the Chief Accounting Officer shall have immediate charge of the general books, accounts and statistics of the Company and shall be the custodian of all vouchers, drafts, invoices and other evidences of payment and all bonds, interest coupons and other evidences of indebtedness which shall have been canceled. He is authorized to approve for payment

by the Treasurer vouchers, payrolls, drafts or other accounts. He shall have prepared periodically or specially as requested by him with the approval of and in forms prescribed by the Chief Financial Officer, statements of operating revenues and expenses and estimates thereof and of expenditures and estimates on all other accounts; and copies of all statistical data that may be compiled in regular course and also other information in reference to the financial affairs and operations of the Company and of any subsidiary company that may be required by the Chief Financial Officer or the Board of Directors. He shall submit for each regular meeting of the Board of Directors, and, at such other times as may be required by said Board or the Chief Financial Officer, statements of operating results, of cash resources and requirements and of appropriations for Capital Expenditures, and shall perform such other duties as the Chief Financial Officer may from time to time direct.

SECTION 16. The Secretary shall attend all meetings of the stockholders, the Board of Directors and the Executive Committee, and keep a record of all their proceedings. He shall procure and keep in his files copies of the minutes of all meetings of the stockholders, boards of directors and executive committees of all companies a majority of whose capital stock is owned by this Company. He shall be the custodian of the seal of the Company. He shall have the power to affix the seal of the Company to instruments, the execution of which is authorized by these By-Laws or by action of the Board of Directors or Executive Committee, and to attest the same. He shall have supervision of the issuance, transfer and registration of the capital stock and debt securities of the Company. He shall perform such other duties as may be assigned to him by the Board of Directors, the Chairman of the Board or the Chairman of the Executive Committee.

The Assistant Secretaries shall have power to affix the seal of the Company to instruments, the execution of which is authorized by these By-laws or by action of the Board of Directors or Executive Committee, and to attest the same, and shall exercise such of the other powers and perform such of the other duties of the Secretary as shall be assigned to them by the Secretary.

SECTION 17. Except as otherwise provided herein or directed by the Board of Directors, the Treasurer shall be the custodian of all moneys, stocks, bonds, notes and other securities of the Company. He is authorized to receive and receipt for stocks, bonds, notes and other securities belonging to the Company or which are received for its account. All stocks, bonds, notes and other securities in the custody of the Treasurer shall be held in the safe deposit vaults of the Company or in one or more depositories selected by the Treasurer or other officer authorized by the Board of Directors, in each case subject to access thereto as shall from time to time be authorized or required by the Board of

Directors, the Chief Financial Officer or the Treasurer. Stocks, bonds, notes and other securities shall be deposited in the safe deposit vaults or depositories, or withdrawn from them, only by persons and pursuant to procedures as shall be determined by the Board of Directors, the Chief Financial Officer or the Treasurer. The Treasurer is authorized and empowered to receive and collect all moneys due to the Company and to receipt therefor. All moneys received by the Treasurer shall be deposited to the credit of the Company in such depositories as shall be designated by the Board of Directors, the Chief Financial Officer, the Treasurer or such other officers as may be authorized by the Board of Directors; and the Treasurer or other officer designated by the Treasurer may endorse for deposit therein all checks, drafts, or vouchers drawn to the order of the Company or payable to it. He is also authorized to draw checks against any funds to the credit of the Company in any of its depositories. All such checks shall be signed by such persons, either by manual or facsimile signature, as shall be authorized by the Board of Directors and countersigned if required by the Board of Directors. The Treasurer is authorized to make disbursements in settlement of vouchers, payrolls, drafts or other accounts, when approved for payment by the Chief Accounting Officer; or such other person as shall be authorized by the Board of Directors, the Chief Financial Officer or these By-Laws; for payments which have been otherwise ordered or provided for by the Board of Directors or the Chief Financial Officer; for interest on bonds and dividends on stock when due and payable; for vouchers, pay checks, drafts and other accounts properly certified to by the duly authorized officers of the Company and approved for payment by or on behalf of the Chief Accounting Officer; and for vouchers, pay checks, drafts and other accounts approved by the officers duly authorized to approve for payment of any company which this Company controls through ownership of stock or otherwise, as may be designated in writing from time to time by the Chief Financial Officer to the Treasurer. He shall cause to be kept in his office true and full accounts of all receipts and disbursements of his office. He shall also perform such other duties as shall be assigned to him by the Chief Financial Officer.

The Assistant Treasurers may exercise all the powers of the Treasurer herein conferred in respect of the receipt of moneys and securities, endorsement for deposit and signature of checks.

ARTICLE V

SUPERVISION, REMOVAL AND SALARIES OF OFFICERS AND EMPLOYEES

SECTION 1. Any officer or employee elected or appointed by the Board of Directors may be removed as such at any time by the affirmative vote

of a majority of the directors then in office, with or without cause. Any other officer or employee of the Company may be removed at any time by vote of the Board of Directors or of the Executive Committee or by the officer supervising such officer or employee, with or without cause.

SECTION 2. All officers, agents and employees of the Company, in the exercise of the powers conferred and the performance of the duties imposed upon them, by these By-Laws or otherwise, shall at all times be subject to the direction, supervision and control of the Board of Directors or the Executive Committee.

SECTION 3. No office or position shall be created and no person shall be employed at a salary of more than \$200,000 per annum, and no salary shall be increased to an amount in excess of \$200,000 per annum, without the approval of the Board of Directors or Executive Committee.

SECTION 4. Except to the extent otherwise provided in the GCL, the Board of Directors may from time to time vest general authority in the Chairman of the Board, the Chairman of the Executive Committee, the Chief Executive Officer, the President, the Chief Operating Officer, the Head of any department or office of the Company, or any such other officer of the Company as any of the foregoing shall designate, for the sole determination of disposition of any matter which otherwise would be required to be considered by the Board of Directors or the Executive Committee under the provisions of this Article.

ARTICLE VI

CONTRACTS AND EXPENDITURES

SECTION 1. All capital expenditures, leases and property dispositions must be authorized by the Board of Directors or Executive Committee, except that general or specific authority with regard to such matters may be delegated to such officers of the Company as the Board of Directors may from time to time direct to the extent not inconsistent with the provisions of the GCL.

SECTION 2. Expenditures chargeable to operating expenses may be made by or under the direction of the Head of the department in which they are required, without explicit or further authority from the Board of Directors or Executive Committee, subject to direction, restriction or prohibition by the Chairman of the Board, the Chairman of the Executive Committee, the Chief Executive Officer, the President or the Chief Operating Officer.

SECTION 3. No contract shall be made without the approval of the Board of Directors or Executive Committee, except as authorized by the Board of Directors or these By-Laws.

SECTION 4. Contracts for work, labor and services and materials and supplies, the expenditures for which will be chargeable to operating expenses, may be made in the name and on behalf of the Company by the Chairman of the Board, the Chairman of the Executive Committee, the Chief Executive Officer, the President or the Chief Operating Officer, or by such officer as he shall designate, without further authority.

SECTION 5. All written contracts and agreements to which the

Company may become a party shall be approved as to form by or under the direction of counsel for the Company.

SECTION 6. The Chairman of the Board, the Chairman of the Executive Committee, the Chief Executive Officer, the President, the Chief Operating Officer and the Executive Vice Presidents, Senior Vice Presidents and Vice Presidents shall severally have the power to execute on behalf of the Company any deed, bond, indenture, certificate, note, contract or other instrument authorized or approved by, or pursuant to authority granted by, the Board of Directors or the Executive Committee, and to cause the corporate seal to be thereto affixed and attested by the Secretary or an Assistant Secretary.

SECTION 7. Except to the extent otherwise provided in the GCL, the Board of Directors may from time to time vest general or specific authority in such officers of the Company as the Board of Directors shall designate for the sole determination of disposition of any matter which otherwise would be required to be considered by the Board of Directors or the Executive Committee under the provisions of this Article.

ARTICLE VII

INDEMNIFICATION

SECTION 1. The Company shall indemnify to the full extent permitted by law any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that

(i) such person is or was a director or officer of the Company or (ii) while a director or officer of the Company, such person is or was serving at the request of the Company as a director or officer of another corporation, partnership, joint venture, trust or other enterprise. The indemnification provided in this Section 1 of this Article VII shall include the right to receive payment in advance of the final disposition of any such action, suit or proceeding of any expenses (including attorneys' fees) incurred by any such person in defending such action, suit or proceeding, consistent with the provisions of then applicable law. For purposes of this Article VII, the term "other enterprise" shall include any employee benefit plan; and "serving at the request of the Company" shall include any service as a director or officer of the Company which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or beneficiaries; and any action by a person with respect to an employee benefit plan taken in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of such plan shall be deemed to be action not opposed to the best interests of the Company. This Section 1 of this Article

VII shall not apply to any action, suit or proceeding pending or threatened on the date of adoption hereof provided that the right of the Company to indemnify any person with respect thereto shall not be limited hereby.

SECTION 2. Any indemnification under Section 1 of this Article VII (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the present or former director or officer is proper in the circumstances because such person has met the applicable standard of conduct required by law. Such determination shall be made by the persons authorized by the GCL.

SECTION 3. Notwithstanding Sections 1 and 2 of this Article VII, except for proceedings to enforce rights to indemnification, the Company shall not be obligated to indemnify any director or officer in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors. The indemnification and advancement of expenses provided by Section 1 of this Article VII shall not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. Any amendment or repeal of Section 1 or Section 2 of this Article VII or this Section 3 shall not limit the right of any person to indemnity with respect to actions taken or omitted to be taken by such person prior to such amendment or repeal.

ARTICLE VIII

FINAL

SECTION 1. The common corporate seal is, and, until otherwise ordered by the Board of Directors, shall be, an impression upon paper or wax, circular in form, with the words "Union Pacific Railroad Company" and "Delaware" on the outer edge thereof.

SECTION 2. Except as otherwise proved by the GCL, these By-Laws may be altered, amended or repealed at a meeting of the stockholders by a majority vote of those present in person or by proxy or at any meeting of the Board of Directors by a majority vote of the directors then in office.

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-----END PRIVACY-ENHANCED MESSAGE-----